

Michael F. Easley
Governor



State of North Carolina Office of the Governor

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GOV. EASLEY ANNOUNCES \$1 MILLION GRANT FOR FOREST CITY

RALEIGH—Gov. Mike Easley announced today that Forest City will receive a \$1million grant from the Small Cities Community Development Block Grant (CDBG) Urban Redevelopment awards. Albemarle, Sanford and Shelby will also receive CDBG awards.

"These funds will go a long way to foster economic growth in troubled areas by encouraging redevelopment that brings both jobs and investments to our towns," said Easley. "CDBG grants will provide resources to local governments that can help build stronger communities across our state and better opportunities for our citizens."

Forest City has been awarded \$1 million for the Burnt Chimney Square Project, which will allow the town to acquire and renovate the Cone Mill plant into a mixed-use development. This project will feature a community arts center, three museums, two restaurants, a public market, a 300-seat banquet facility, an amphitheatre and retail and residential space. The total project cost is \$19,665,500, which includes \$15 million in private funds, \$2.85 million in tax credits, \$385,000 in town funds, and \$423,000 in possible future grants.

"This is exciting news for Forest City," said Sen. Walter Dalton. "This grant will provide numerous new opportunities for our citizens and our local economy. I want to thank the Department of Commerce for their commitment to our community and in helping to make this project possible."

The Urban Redevelopment Grants are designed to cultivate economic growth in distressed urban areas where at least 50 percent of the buildings are deteriorated or are in danger of becoming a threat to public safety. Improvements in these areas are intended to attract private investment. Proposed projects were reviewed for the severity of needs, the economic impact of the project, and the ongoing local efforts to redevelop the area.

CDBG funds are federal grants from the Department of Housing and Urban Development. They are distributed on a competitive basis to eligible local governments. The Department of Commerce's Division of Community Assistance, which administers North Carolina's Small Cities CDBG program, reviewed 13 applications and selected four communities.

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